

## DECLARATION

I, Dr. Christian Heine, hereby declare as follows:

I am an employee of Robert Bosch GmbH, having the job title and responsibilities of a Product Manager.

The responsibilities of my position as product manager at Robert Bosch GmbH include the offering for sale and sale of impact drills on a worldwide basis.

As part of my employment, I am generally familiar with the sales of impact drills by Robert Bosch GmbH.

I am personally aware that in approximately the year 1998, Robert Bosch introduced a new feature on impact drills being offered for sale in Germany, known generally as the AUTOLOCK System.

The AUTOLOCK name is a trademark for a unique locking system improvement used in connection with impact drills manufactured and sold by Robert Bosch GmbH.

*not in all claims*

Specifically, the AUTOLOCK System provides for a parallel shaft bearing the locking system so that the impact pressure resulting from the use of the impact drill is removed from the locking feature, thereby substantially enhancing the reliability and safety of the locking feature.

As a result of this substantial improvement, the AUTOLOCK feature has proven to be of significant sales benefit with respect to impact drills manufactured and offered for sale by Robert Bosch GmbH.

With respect to impact drills, Robert Bosch GmbH sells impact drills both to the market of general users and to the market of professional users. The impact drills sold to the market of general users are of a green color and are generally referred to as "Green Tools." Robert Bosch GmbH impact drills sold for professional use are generally of a blue color and referred to as "Blue Tools."

Attached hereto as Exhibit "A" is a graph comparing the volume and turnover of AUTOLOCK equipped green impact drills manufactured and sold in Germany by Robert Bosch GmbH. It will be seen therefrom that impact drills for general consumer use with the AUTOLOCK function, generate almost half of the total segment turnover with less than one-third of the sales volume during the first seven months of the year 2002.

The graph attached hereto as Exhibit "A" further demonstrates the substantial increase in sales of impact drills having the AUTOLOCK feature

manufactured and sold by Robert Bosch GmbH for general consumer use from 1998 to date.

It will be seen from this graph that purchasers are willing to pay significantly more money for an AUTOLOCK equipped impact drill for general use than one not so equipped, because of its superior performance.

The commercial success of AUTOLOCK equipped drills manufactured and sold by Robert Bosch GmbH is such that with respect to impact drills intended for general consumer use, the share of AUTOLOCK equipped impact drills has climbed from almost nothing in 1998 to approximately 1 out of every 3 impact drills sold by Robert Bosch GmbH thus far in the year 2002, thereby accounting for almost one-half of the total sales of Bosch impact drills intended for consumer use in Germany in the year 2002.

Attached hereto as Exhibit "B" is a listing of the model numbers for Robert Bosch GmbH impact drills offered for sale by Robert Bosch GmbH in Germany and containing the AUTOLOCK feature.

Attached hereto as Exhibit "C" are representative advertisements in Germany, together with translations thereof, showing that impact drills having the AUTOLOCK feature are being actively and successfully offered for sale and sold in Germany.

I hereby declare that all statements made herein of my own knowledge are true and that all statements on information and belief are believed to be true; and further that those statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Dated: 11.09.02

  
DR. CHRISTIAN HEINE